

EXHIBIT I

BUSINESS ORGANIZATIONS CODE CHAPTER 1. DEFINITIONS AND OTHER GENERAL PROVISIONS

BUSINESS ORGANIZATIONS CODE

TITLE 1. GENERAL PROVISIONS

CHAPTER 1. DEFINITIONS AND OTHER GENERAL PROVISIONS

SUBCHAPTER A. DEFINITIONS AND PURPOSE

Sec. 1.001. PURPOSE. The purpose of this code is to make the law encompassed by this code more accessible and understandable by:

- (1) rearranging the statutes into a more logical order;
- (2) employing a format and numbering system designed to facilitate citation of the law and to accommodate future expansion of the law;
- (3) eliminating repealed, duplicative, expired, executed, and other ineffective provisions; and
- (4) restating the law in modern American English to the greatest extent possible.

Acts 2003, 78th Leg., ch. 182, Sec. 1, eff. Jan. 1, 2006.

Sec. 1.002. DEFINITIONS. In this code:

- (1) "Affiliate" means a person who controls, is controlled by, or is under common control with another person.
- (2) "Associate," when used to indicate a relationship with a person, means:

(A) a domestic or foreign entity or organization for which the person:

(i) is an officer or governing person; or
style="padding-left: 80px;">(ii) beneficially owns, directly or indirectly, either individually or through an affiliate, 10 percent or more of a class of voting ownership interests or similar securities of the entity or organization;

(B) a trust or estate in which the person has a substantial beneficial interest or for which the person serves as trustee or in a similar fiduciary capacity;

(60) "Nonprofit entity" means an entity that is a nonprofit corporation, nonprofit association, or other entity that is organized solely for one or more of the purposes specified by Section 2.002.

(61) "Officer" means an individual elected, appointed, or designated as an officer of an entity by the entity's governing authority or under the entity's governing documents.

(62) "Organization" means a corporation, limited or general partnership, limited liability company, business trust, real estate investment trust, joint venture, joint stock company, cooperative, association, bank, insurance company, credit union, savings and loan association, or other organization, regardless of whether the organization is for-profit, nonprofit, domestic, or foreign.

(63) "Owner," for purposes of Title 1, 7, or 8, means:

(A) with respect to a foreign or domestic for-profit corporation or real estate investment trust, a shareholder;

(B) with respect to a foreign or domestic partnership, a partner;

(C) with respect to a foreign or domestic limited liability company or professional association, a member; or

(D) with respect to another foreign or domestic entity, an owner of an equity interest in that entity.

(64) "Ownership interest" means an owner's interest in an entity. The term includes the owner's share of profits and losses or similar items and the right to receive distributions. The term does not include an owner's right to participate in management.

(65) "Parent" means an organization that, directly or indirectly through or with one or more of its subsidiaries:

(A) owns at least 50 percent of the outstanding ownership or membership interests of another organization; or

(B) possesses at least 50 percent of the voting power of the owners or members of another organization.

(66) "Partner" means a limited partner or general partner.